"In case money has been borrowed on certificates of indebtedness as herein authorized, bonds may be later issued and sold to retire said certificates of indebtedness."

For the retirement of "certificates of indebtedness," provided under section 6602-4 G. C., the board may appropriate money or issue bonds. There is no levy or tax provided for in the resolution issuing "certificates of indebtedness," therefore, "certificates of indebtedness" issued under section 6602-4 G. C. cannot be considered bonds.

If we could by any process of reasoning come to the conclusion that "certificates of indebtedness" are bonds within the terms of the depository sections, then we must come to the conclusion that as such they are illegal, for the reason that the mandate of the Constitution requiring a levy of taxes to retire the same has not been complied with.

You are therefore advised that "certificates of indebtedness" issued by a political subdivision may not be accepted legally as security on a depository bond.

Respectfully,
C. C. CRABBE,
Attorney-General.

2268.

DISAPPROVAL, BONDS OF CHESTER TOWNSHIP RURAL SCHOOL DISTRICT, GEAUGA COUNTY, $100,000.00.

COLUMBUS, OHIO, March 7, 1925.

Re: Bonds of Chester Township Rural School District, Geauga County, $100,000.00.

Retirement Board, State Teachers Retirement System, Columbus, Ohio.

GENTLEMEN:—I have examined the transcript for the foregoing issue of bonds and find that each of the advertisements for the sale of the foregoing bonds contains a statement that these bonds are being issued under the authority of the general laws of the state of Ohio, particularly sections 7629 and 7630 of the General Code of Ohio.

The transcript shows the issue to be made upon the approval of the electors of the school district, and under the provisions of section 7625 G. C.

Section 2294 G. C. provides in part as follows:

"The advertisement shall state the total amount and denomination of bonds to be sold, how long they are to run, the rate of interest to be paid thereon, whether annual or semi-annual, the law or section of law *authorizing* the issue, the day, hour and place in the county where they are to be sold."

It is therefore observed that this statute requires notice to bond buyers of the specific law or sections of law authorizing the issue. In this case the advertisement gave notice of an issue under sections of law providing for different methods of procedure, and with specific limitations different from the provisions of the law under which the issue is really made, and it is therefore my opinion that such failure to make the advertisement give reference to the proper statute was not in compliance with the intent of section 2294 G. C.

You are therefore advised that the bonds have not been legally sold and that you should not purchase said bonds.

Respectfully,
C. C. CRABBE,
Attorney-General.

2269.

DISAPPROVAL, BONDS OF MEDINA VILLAGE SCHOOL DISTRICT, MEDINA COUNTY, $14,000.00.

COLUMBUS, OHIO, March 7, 1925.

Re: Bonds of Medina Village School District, Medina County, $14,000.00.

Retirement Board, State Teachers Retirement System, Columbus, Ohio.

GENTLEMEN:—The transcript submitted in connection with the above bond issue discloses that the valuation of the taxable property as furnished is in the sum of $7,408,530.00.

Section 7629 G. C. as amended in 109 O. L., page 252, provides in part as follows:

> "The board shall pay such bonds and the interest thereon when due, and provide that no greater amount of bonds be issued in any year than would equal the aggregate of a tax at the rate of two mills, for the year next preceding the last issue."

It is therefore observed that the total amount of bonds that could be issued under the provisions of this section in any one year would be approximately $14,800.00. As the statute specifically refers to the "aggregate of a tax," it must necessarily be inferred that the tax year is to be considered in the determination of the limitation.

Transcript contains the further notice that this board of education has outstanding an issue of bonds dated September 1, 1924, in the sum of $14,000.00, issued under the provisions of section 7629 G. C. The first payment of interest on the foregoing bonds falls due on April 1, 1926, and the first maturity of bonds on October 1, 1926. The same maturities are given to this issue. It is therefore apparent that both issues are made in the same tax year, for the reason that the first collection of taxes levied for the payment of the bonds in each case is to be made on the 1925 duplicate. This must be construed as in violation of the provisions of section 7629 G. C.

I am therefore of the opinion that this issue is in excess of the limitation as provided for the 1925 tax year, based upon the duplicate of this school district, and for that reason said bonds have not been legally issued.

You are therefore advised not to purchase said bonds.

Respectfully,
C. C. CRABBE,
Attorney-General.